

# **State of Alaska FY2009 Governor's Operating Budget**

## **Department of Transportation/Public Facilities Fairbanks Airport Administration Component Budget Summary**

**Component: Fairbanks Airport Administration**

**Contribution to Department's Mission**

Provide the overall airport management and leadership necessary to assure that all airport functions are conducted in accordance with appropriate laws, regulations, policies, and procedures and in a safe, efficient, and cost-effective manner.

**Core Services**

- Plan, organize, direct and control airport functions.
- Develop and implement strategic management plans.
- Develop operating and capital budgets.
- Negotiate and administer 201 leases and other agreements.
- Administer airline operating agreements.
- Collect air carrier fees, rents, concession and other revenues.
- Collect and disseminate airport statistical and financial data.
- Maintain local area computer network backbone and workstations, and provide technical support to subsystems such as maintenance management, MSDS, HVAC.

FY2009 Resources Allocated to Achieve Results		
<b>FY2009 Component Budget: \$1,675,800</b>	<b>Personnel:</b>	
	Full time	11
	Part time	0
	<b>Total</b>	<b>11</b>

**Key Component Challenges**

- Construction continues on replacement of the existing terminal building. The new section is slated to open in spring 2008. The airport will continue to operate the existing terminal until demolition of the oldest portion of the existing building begins.
- Dealing with geo-political developments in world wide cargo transport that directly affect revenues. Global air transport will continue to change as economic and political conditions change in rapidly developing countries such as China and Russia, as well as in central Asia. The impacts to the airport will be enormous as airlines make these important business decisions.
- One of FAI's greatest challenges is generating more revenue opportunities and maintaining existing revenues to support airport functions. In an effort to attract other air carriers or businesses to the airport to replace lost revenues, FAI staff will concentrate on marketing and outreach efforts with the aid of a USDOT Small Community Air Service Development Program grant. When it makes sense to do so, projects will be outsourced to private consultants
- Efforts continue to develop and implement competitive offerings for new telecommunications, rental car, and parking concessions: New telecommunications and rental car agreements to coincide with the opening of the new terminal scheduled for 2008; new parking agreement to coincide with completion of terminal construction project in 2009.

**Significant Changes in Results to be Delivered in FY2009**

No significant changes are anticipated.

**Major Component Accomplishments in 2007**

- Award of new food and beverage and new gift and news concession agreements to be effective concurrently with anticipated public opening of the new terminal.
- Approved two new land leases with approximately \$250,000 in proposed improvements.
- In addition to proposed improvements on new leases, approved building permits for \$1.4 million in private investments on existing leaseholds on Airport land.
- Approved two new terminal leases with approximately \$10,000 in proposed improvements.
- Competed for and was awarded a three year USDOT Small Community Air Service Development Program grant for \$500.0.

### Statutory and Regulatory Authority

AS 2 Aeronautics

AS 44 State Govt.

17 AAC Chapter 40, Aviation

FAR Part 139

49 CFR, dealing with airport security: TSR 1500, 1503, 1520, 1540, 1542, 1544, and 1546

Contact Information
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<b>Fairbanks Airport Administration Component Financial Summary</b>			
<i>All dollars shown in thousands</i>			
	<b>FY2007 Actuals</b>	<b>FY2008 Management Plan</b>	<b>FY2009 Governor</b>
<b>Non-Formula Program:</b>			
<b>Component Expenditures:</b>			
71000 Personal Services	1,019.7	1,079.5	1,062.4
72000 Travel	15.3	17.9	17.9
73000 Services	527.3	535.5	535.5
74000 Commodities	52.7	60.0	60.0
75000 Capital Outlay	0.0	0.0	0.0
77000 Grants, Benefits	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
<b>Expenditure Totals</b>	<b>1,615.0</b>	<b>1,692.9</b>	<b>1,675.8</b>
<b>Funding Sources:</b>			
1027 International Airport Revenue Fund	1,585.3	1,663.2	1,646.1
1061 Capital Improvement Project Receipts	29.7	29.7	29.7
<b>Funding Totals</b>	<b>1,615.0</b>	<b>1,692.9</b>	<b>1,675.8</b>

<b>Estimated Revenue Collections</b>				
<b>Description</b>	<b>Master Revenue Account</b>	<b>FY2007 Actuals</b>	<b>FY2008 Management Plan</b>	<b>FY2009 Governor</b>
<b>Unrestricted Revenues</b>				
Unrestricted Fund	68515	7,097.4	7,831.0	7,830.8
<b>Unrestricted Total</b>		<b>7,097.4</b>	<b>7,831.0</b>	<b>7,830.8</b>
<b>Restricted Revenues</b>				
Capital Improvement Project Receipts	51200	29.7	29.7	29.7
<b>Restricted Total</b>		<b>29.7</b>	<b>29.7</b>	<b>29.7</b>
<b>Total Estimated Revenues</b>		<b>7,127.1</b>	<b>7,860.7</b>	<b>7,860.5</b>

**Summary of Component Budget Changes  
From FY2008 Management Plan to FY2009 Governor**

*All dollars shown in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
<b>FY2008 Management Plan</b>	<b>0.0</b>	<b>0.0</b>	<b>1,692.9</b>	<b>1,692.9</b>
<b>Adjustments which will continue current level of service:</b>				
-FY 09 Health Insurance Increases for Exempt Employees	0.0	0.0	0.2	0.2
-FY 09 Bargaining Unit Contract Terms: General Government Unit	0.0	0.0	37.1	37.1
-Consolidate Certain Permit Functions	0.0	0.0	-54.4	-54.4
<b>FY2009 Governor</b>	<b>0.0</b>	<b>0.0</b>	<b>1,675.8</b>	<b>1,675.8</b>

**Fairbanks Airport Administration  
Personal Services Information**

Authorized Positions		Personal Services Costs		
<u>FY2008</u>				
<u>Management</u>	<u>Plan</u>	<u>FY2009</u>		
		<u>Governor</u>		
Full-time	12	11	Annual Salaries	634,943
Part-time	0	0	COLA	31,099
Nonpermanent	0	0	Premium Pay	32,391
			Annual Benefits	364,345
			<i>Less 0.04% Vacancy Factor</i>	(378)
			Lump Sum Premium Pay	0
<b>Totals</b>	<b>12</b>	<b>11</b>	<b>Total Personal Services</b>	<b>1,062,400</b>

**Position Classification Summary**

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accounting Tech I	0	1	0	0	1
Administrative Clerk III	0	1	0	0	1
Administrative Manager III	0	1	0	0	1
Administrative Svcs Mgr II	0	1	0	0	1
Airport Leasing Specialist II	0	2	0	0	2
Airport Leasing Specialist IV	0	1	0	0	1
Airport Manager Fairbanks	0	1	0	0	1
Dev Spec II, Option A	0	1	0	0	1
Micro/Network Spec I	0	1	0	0	1
Secretary	0	1	0	0	1
<b>Totals</b>	<b>0</b>	<b>11</b>	<b>0</b>	<b>0</b>	<b>11</b>